

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL MEETING**

May 24, 2006
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Mayor Keno Hawker, Mesa, Chair	Mayor Bernadette Jimenez, Guadalupe
Mayor Woody Thomas, Litchfield Park, Vice Chair	* Supervisor Max Wilson, Maricopa County
+ Councilmember Dave Waldron for Mayor	Councilmember Dan Schweiker for
Douglas Coleman, Apache Junction	Mayor Ron Clarke, Paradise Valley
Mayor Marie Lopez-Rogers, Avondale	Councilmember Vicki Hunt for
Mayor Dusty Hull, Buckeye	Mayor John Keegan, Peoria
Mayor Edward Morgan, Carefree	# Councilmember Peggy Neely, Phoenix
Vice Mayor Dick Esser, Cave Creek	Mayor Wendy Feldman-Kerr, Queen Creek
Mayor Boyd Dunn, Chandler	* President Joni Ramos, Salt River
Mayor Fred Waterman, El Mirage	Pima-Maricopa Indian Community
* President Raphael Bear, Fort McDowell	Mayor Mary Manross, Scottsdale
Yavapai Nation	Mayor Joan Shafer, Surprise
Vice Mayor Jay Schlum for Mayor Wally	* Mayor Hugh Hallman, Tempe
Nichols, Fountain Hills	* Mayor Adolfo Gamez, Tolleson
+ Mayor Daniel Birchfield, Gila Bend	* Mayor Ron Badowski, Wickenburg
* Governor William Rhodes, Gila River Indian	* Mayor Bryan Hackbarth, Youngtown
Community	* Joe Lane, State Transportation Board
Mayor Steven Berman, Gilbert	Felipe Zubia, State Transportation Board
Mayor Elaine Scruggs, Glendale	F. Rockne Arnett, Citizens Transportation
Mayor James M. Cavanaugh, Goodyear	Oversight Committee

* Those members neither present nor represented by proxy.

Attended by telephone conference call.

+ Attended by videoconference call.

1. Call to Order

The meeting of the MAG Regional Council was called to order by Chair Keno Hawker at 5:08 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Chair Hawker stated that Mayor Daniel Birchfield, Gila Bend, and Councilmember Dave Waldron as proxy for Mayor Doug Coleman, Apache Junction, were participating via videoconference. Councilmember Peggy Neely was attending via teleconference. Chair Hawker announced that Councilmember Neely was now the Regional Council representative for the City of Phoenix. Chair Hawker introduced proxies for the meeting: Vice Mayor Jay Schlum for Mayor Wally Nichols, Fountain Hills; Councilmember Vicki Hunt for Mayor John Keegan, Peoria; and Councilmember Jini Simpson for Mayor Ron Clarke, Paradise Valley.

Chair Hawker noted materials at each place: For agenda item #5C, a copy of a comment that was received via email; for agenda items #5E, copies of the Continuum of Care Committee goals and rankings, which were approved by the Committee yesterday. Chair Hawker noted that parking validation and transit tickets were available from staff.

Chair Hawker announced that this was the last Regional Council meeting for three members.

Chair Hawker presented a Resolution of Appreciation to Mayor Dusty Hull that stated:

Whereas, Mayor Hull served the Town of Buckeye, and was elected Mayor in 1998, and reelected in 2000, 2002 and 2004; and

Whereas, Mayor Hull served as a Member of the MAG Regional Council since 1998; and

Whereas, Mayor Hull championed the acceleration of improvements to State Route 85, which was known for its high fatality rate, thereby making travel safer for those driving on this route; and

Whereas, Mayor Hull served as Mayor of Buckeye during a period of unprecedented growth, when the Town's population of 5,100 in 1998 grew to 14,500 in 2004, a 184 percent increase.

Chair Hawker presented a Resolution of Appreciation to Mayor Wendy Feldman-Kerr that stated:

Whereas, Mayor Feldman-Kerr served the community of Queen Creek, appointed to the Council in 1994, elected to the Council in 1996, elected Mayor in 1999, 2002 and 2004, and during her term as Mayor, the Town's population grew from 3,900 in 1999 to 11,200, an increase of 187 percent.

Whereas, Mayor Feldman-Kerr actively served on the MAG Regional Council since 2000, and was Chair from 2002 to 2004, and also served on the Regional Council Executive Committee from 2002 to 2006, and

Whereas, Mayor Feldman-Kerr diligently served on the MAG Governance Task Force, where she championed business participation in the transportation planning process and greater citizen involvement through the implementation of the first Regional Town Hall, and

Whereas, Mayor Feldman-Kerr demonstrated her leadership skills by staunchly supporting Proposition 400 in the face of fierce opposition, which laid the foundation for transportation improvements in the MAG Region for the next 20 years, and

Whereas, Mayor Feldman-Kerr strove to increase communication and through her efforts, enhanced the relationships with member agencies and the private sector, and

Whereas, Mayor Feldman-Kerr will be remembered as a Member of the MAG Regional Council who led the organization through a period of great transition and laid the cornerstone for a community-based planning process that will benefit future generations.

Chair Hawker presented a Resolution of Appreciation to Mayor Woody Thomas that stated:

Whereas, Mayor Thomas served the City of Litchfield Park, elected Mayor in 2000 and reelected in 2002 and 2004, and

Whereas, Mayor Thomas actively served on the MAG Regional Council since 2000, and was Vice Chair from 2004 to 2006, and also served on the Regional Council Executive Committee from 2002 to 2006, and

Whereas, Mayor Thomas resolutely served on the MAG Governance Task Force, which charted a new direction for MAG, and

Whereas, Mayor Thomas served as a charter member of the Transportation Policy Committee, whose intensive deliberations were instrumental in achieving regional consensus for the Regional Transportation Plan that set the foundation for the election to extend the one-half cent sales tax for transportation, and

Whereas, Mayor Thomas demonstrated his leadership by championing the cause of commuter rail in the MAG Region as a viable option for transportation, and

Whereas, Mayor Thomas will be remembered as a Member of the MAG Regional Council who worked with the greater regional community to build a quality region for future generations

Chair Hawker thanked them for their service to the MAG region.

3. Call to the Audience

Chair Hawker noted that according to MAG's public comment process, members of the audience who wish to speak are requested to fill out public comment cards. The opportunity for public comment is provided to members of the public to address the Regional Council on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens will be requested not to exceed a three minute time period for their comments. A total of 15 minutes will be provided for the Call to the Audience agenda item, unless the Regional Council

requests an exception to this limit. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Chair Hawker recognized public comment from Dianne Barker, who took a compressed natural gas bus to the meeting and was going to rideshare home. She said that she has been coming to MAG meetings for years and has saved a lot of material. Ms. Barker requested that MAG follow the federal rules or not accept the federal funds. She said that MAG might believe it is following the rules, but MAG is not doing congestion management. She said that CMAQ funding is being based on cost effectiveness, not congestion management. Ms. Barker requested that MAG table approval of this item. She said that 5309 funds paid for alternatives analysis, which is not supposed to be done. Ms. Barker stated that projects that receive CMAQ funds should have CMS scores. Chair Hawker thanked Ms. Barker for her comments.

4. Executive Director's Report

Dennis Smith stated that the invitations to the 2006 Desert Peaks Awards will be mailed out shortly. He said that the Awards will be held June 28, 2006 at the Chase Bank Building following the June Regional Council meeting.

Mr. Smith stated that Transportation Policy Committee nomination letters are due June 14, 2006. He advised that the Regional Council will appoint the Chair, Vice Chair, and members at the June 28, 2006 Regional Council meeting.

Mr. Smith stated that the Public Hearing Air Quality Conformity on the MAG TIP and RTP is scheduled for 5:00 p.m. on June 15, 2006 in the Saguaro Room. The hearing will be preceded by an open house at 4:30 p.m.

Mr. Smith introduced a new MAG employee, Monique de los Rios-Urban, Senior Performance Monitoring Program Manager. Mr. Smith noted that Ms. de los Rios-Urban came to MAG from the City of Scottsdale. Prior to that, she worked at MAG. Mr. Smith stated that in addition to performance monitoring, she is working on the Regional Governmental Service Center. Chair Hawker thanked Mr. Smith for his report.

5. Approval of Consent Agenda

Chair Hawker stated that public comment is provided for consent items. Each speaker is provided with a total of three minutes to comment on the consent agenda. After hearing public comments, any member of the Council can request that an item be removed from the consent agenda and considered individually. He stated that agenda items #5A, #5B, #5C, #5D, #5E, #5F, #5G, #5H, and #5I were on the consent agenda.

Chair Hawker asked members if they would like to remove any item from the Consent Agenda to be considered individually.

Mayor Waterman requested that agenda item #5G be removed from the Consent Agenda. Chair Hawker requested that agenda item #5H be removed from the Consent Agenda.

Hearing no further requests, Chair Hawker called for a motion to approve consent agenda items #5A, #5B, #5C, #5D, #5E, #5F, and #5I. Vice Chair Thomas moved, Mayor Dunn seconded.

Before a vote was taken, Chair Hawker recognized public comment from Larry Landry, representing the Salt River Pima-Maricopa Indian Community. Mr. Landry referred to the letter he emailed regarding agenda item #5C. He said that his comments were not to request disapproval of the item. Mr. Landry stated that the Salt River Pima-Maricopa Indian Community had several meetings with the City of Mesa and Maricopa County regarding the three Salt River crossing bridges (McKellips, Dobson and Gilbert) and improvements to McKellips Road which are in the MAG Arterial Life Cycle Program. Mr. Landry stated that the agencies came to an agreement that was not communicated to MAG. Mr. Landry stated that when he noticed the ALCP included the proposed construction date for the three Salt River Pima-Maricopa Indian Community bridge projects had been moved from 2011 to 2015, he sent a letter that accurately reflected the agreement between the City of Mesa, the Salt River Pima-Maricopa Indian Community and the County. He indicated that the Salt River Pima-Maricopa Indian Community is willing to work this issue through the MAG TRC and TPC process. Mr. Landry stated that the Salt River Pima-Maricopa Indian Community would never have agreed to move the projects from 2011 to 2015. He said that if approval tonight is binding, he would request a delay until the parties could meet and then bring back the item. Mr. Landry stated that this problem was a result of a miscommunication by the lead agency and was inconsistent with the agreement.

Mr. Smith clarified that the item was on the agenda for information and discussion, not for action. He stated that Mr. Landry was correct, the lead agency, Maricopa County, communicated the information on the projects to MAG. Mr. Smith advised that if the projects need to be changed, there is a process to examine that. He said that changes could be brought back in the Spring when the TIP is being built.

Chair Hawker stated that he wanted to ensure this meets the TPC guidelines for delaying and advancing projects. Mr. Smith stated that the County moved its projects back and this will require an examination with the cash flow. Chair Hawker commented that there may be economies of scale in constructing this as one unit instead of three. He added that delay may be advantageous so they could be built simultaneously. Chair Hawker stated that the first step is to do the engineering work and he would like to proceed on moving this forward.

Eileen O'Connell, MAG staff, stated that the MAG committee process on the FY 2007 ALCP starts tomorrow at the MAG TRC meeting. Ms. O'Connell stated that projects will be updated annually and piggyback with the TIP schedule. Projects outside the FY 2013-2026 TIP schedule have a February schedule to be updated. Ms. O'Connell indicated that she thought the FY 2007 ALCP would move forward and then those projects would be revisited.

Hearing no further comments, Chair Hawker called for a vote on the motion to approve the consent agenda items #5A, #5B, #5C, #5D, #5E, #5F, and #5I, which passed unanimously.

5A. Approval of the April 26, 2006 Meeting Minutes

The Regional Council, by consent, approved the April 26, 2006 meeting minutes.

5B. Proposed Amendment and Administrative Adjustment to the FY 2006-2010 Transportation Improvement Program for Highway Projects

The Regional Council, by consent, approved a TIP Amendment to add two regionally funded environmental studies to FY 2006 and an Administrative Adjustment to change the funding on four FY 2006 and 2007 ADOT freeway interchange construction projects from State and Local funds to Federal. Since approval of the FY 2006-2010 MAG Transportation Improvement Program (TIP) on July 25, 2005, ADOT has requested funding changes to four freeway interchange construction projects that are currently programmed in FYs 2006 and 2007 of the TIP with State and/or Local Funds. In addition, ADOT has requested the addition of two regionally funded environmental studies on I-10 between Loop 101 (Agua Fria Freeway) and Loop 303 and from Loop 303 to State Route 85 to FY 2006. The four construction projects are already listed in the current TIP and any material cost increases have already been approved as part of a prior Regional Council action. Therefore, a TIP Amendment is not required for them to proceed and air quality conformity is not affected, but an Administrative Adjustment is being processed to formally notify all interested parties of the proposed change to federal funding. However, the two studies are new additions to the TIP and an Amendment is required, although both studies are regarded as exempt for air quality conformity purposes. The MAG Transportation Review Committee and the MAG Management Committee recommended approval of the proposed Amendment and Administrative Adjustment to the FY 2006-2010 TIP.

5C. Status Report on the Arterial Life Cycle Program

Each quarter, MAG staff will provide member agencies with an update on projects in the Arterial Life Cycle Program (ALCP). As the program progresses, the information provided in this report will be updated. This is the first Status Report, January – March 2006, and includes changes to the approved October 26, 2005 ALCP that are in the Draft FY 2007 ALCP, a status report on ALCP Projects, an ALCP Revenue/Financial Section, and an upcoming ALCP schedule. This item was on the agenda for information and discussion.

5D. Conformity Consultation

MAG is conducting consultation on a conformity assessment for an amendment to the FY 2006-2010 MAG Transportation Improvement Program. The amendment includes funding changes to four Arizona Department of Transportation freeway interchange projects that are currently programmed in fiscal years 2006 and 2007. In addition, the amendment includes two new Interstate-10 environmental studies in FY 2006. The amendment includes projects that may be categorized as exempt from conformity determinations and minor project revisions that do not require a conformity determination. This item was on the agenda for consultation.

5E. Department of Housing and Urban Development Stuart B. McKinney Continuum of Care Consolidated Application Process for Maricopa County

In April 2006, the MAG Continuum of Care Regional Committee on Homelessness received 48 applications from nonprofit organizations in the region for Department of Housing and Urban Development (HUD) homeless assistance funding. The application rating and review process was administered by the Valley of the Sun United Way and presented to the MAG Regional Council on April 26, 2006. On May 15, 2006, the Continuum of Care Planning Subcommittee reviewed the final rankings and ending homelessness goals and recommended them for approval by the Continuum of Care Regional Committee on May 22, 2006. The goals will be provided to the Regional Council for information and discussion. The application, recommendations, goals and rankings are due to HUD on May 25, 2006. This item was on the agenda for information and discussion.

5F. Participation on the Human Services Transportation Coordination Stakeholders Group

On May 10, 2006, the Management Committee formed a Human Services Transportation Coordination Stakeholders Group, as part of the MAG Human Services and Senior Transportation Assessment and Coordination Project. The Group will provide input for the coordination plan to assess human services transportation needs, conduct an inventory of available services, and develop coordination strategies. It is envisioned that the Group will represent human services agencies, elderly mobility stakeholders, service providers in the region, individuals who support United We Ride objectives, key decision-makers, and people willing to assume leadership positions on coordination issues. The Regional Council was requested to assist in providing appropriate representation for the Group.

5I. Update on the Regional Governmental Service Center

The Regional Council, by consent, ratified the Executive Committee action to authorize the Executive Director to enter into the following contracts: 1) Real Estate Legal Services with Mariscal, Weeks, McIntyre & Friedlander at a rate of \$250 per hour for real estate services and \$175 per hour for general oversight; and 2) Project Management Services with 3D/I Group at a rate of \$95 per hour, not to exceed \$100,000 for the first year. At the April 17, 2006 Executive Committee meeting, staff was directed to meet with the neighborhood for the site at 1st Avenue and McKinley before entering into contracts with professional services consultants. Since that time, staff has met with the President of the Roosevelt Action Association (RAA). It is anticipated that a presentation will be made at the June RAA meeting. Staff has also met with representatives from the Phoenix Community Alliance and the Downtown Partnership to discuss preliminary ideas regarding the site. Several ideas are being discussed to address the interface with the proposed parking structure and the adjoining neighborhood on 2nd Avenue, including residential and/or retail construction. At the May 15, 2006 Building Lease Working Group and Regional Council Executive Committee meeting, approval was provided to proceed with project management and legal service. Staff indicated at the meeting that significant expenditures would not be incurred in these areas before the next RAA meeting and Regional Council Executive Committee meeting in June.

5H. MAG 208 Water Quality Management Plan Amendment for the Town of Buckeye Anthem at Sun Valley South and Tartesso East Water Reclamation Facilities

This item was removed from the Consent Agenda.

The Town of Buckeye has requested that MAG amend the 208 Water Quality Management Plan to include the Anthem at Sun Valley South and Tartesso East Water Reclamation Facilities. The Anthem at Sun Valley South Facility would have an ultimate capacity of 4.5 million gallons per day (mgd) and reclaimed water would be disposed of through reuse, recharge, and an Arizona Pollutant Discharge Elimination System (AZPDES) Permit discharge. The receiving stream for the AZPDES Permit discharge would be an unnamed wash tributary to the White Tanks Wash. Flow from the White Tanks Wash would be retained in the Flood Retardant Structure (FRS) No. 1 on the north side of Interstate 10. The FRS No. 1 is designed to retain flows from approximately the 100-year storm event. Beyond this storm event, flow would be discharged from the FRS No.1 into the Hassayampa River. The Tartesso East Facility would have an ultimate capacity of 9.6 mgd and reclaimed water would be disposed of through reuse, recharge, and an AZPDES Permit discharge. The receiving stream for the AZPDES Permit discharge would be an unnamed wash. Flow from the wash would be retained in the FRS No. 1 on the north side of Interstate 10. Beyond the 100-year storm event, flow would be discharged from the FRS No. 1 into the Hassayampa River. The Maricopa County unincorporated area is within three miles of both projects, and the County has indicated no objections. The MAG Water Quality Advisory Committee and the MAG Management Committee recommended approval of the Draft 208 Plan Amendment.

Chair Hawker stated that he had two questions on this item. His first question: Would the Town of Buckeye agree to a stipulation that water being recharged would be used to offset the Central Arizona Groundwater Replenishment District obligations? He said that he did not think there is a stipulation that recharged water has to fulfill those obligations. Chair Hawker asked why is it was not in the agreement. Chair Hawker commented that without that stipulation, the developers could recharge water and use it for watering golf courses and other uses and would not have to fulfill groundwater replenishment district obligations. Chair Hawker's second question: Was the arterial grid capacity evaluated to determine if there are options to overloading I-10 or state highways to get traffic in and out of the areas that these plants might service? Mr. Smith responded to Chair Hawker's second question. He said that the Regional Council took action to participate with the Town of Buckeye and neighboring communities on the Hassayampa Study to examine the roadway network and access to I-10 in the area. Mr. Smith noted that in addition, the FY 2007 Work Program includes a study in the Buckeye and Goodyear area that wraps around Pinal County. He stated that all of the high growth areas in the Southwest Valley are now or will be under study.

Sheila Logan, of CMX, the project engineer, stated that one stipulation as part of the development agreement is that the developers are required to turn over any groundwater recharge credits to the Town of Buckeye, which would own and operate the recharge facility. Chair Hawker asked if the Town would use the effluent for recharge to fulfill the obligation and not use it for other purposes. Ms. Logan replied that the Town would own the effluent and the developers would have the option to purchase back some of the effluent for irrigation. She said that recharge facilities are required by the Town as a part of the wastewater treatment plant. Ms. Logan noted that effluent that is not purchased back by the developer

would be owned by the Town. Chair Hawker stated that he did not want the effluent to be purchased by developers for irrigation and other amenities and that he wanted the used groundwater to recharge the table. Chair Hawker indicated that for this reason, he would vote no. He remarked that unless a principle is established that the groundwater withdrawn be replaced with water recharged into the same aquifer, it will be out of balance.

Vice Chair Thomas commented that if he understood the water cycle in place, if the reuse of effluent is prohibited, there would be an ability to pump more groundwater for golf courses. In the Hassayampa River Valley, a large portion of water used for lawn activity will ultimately rest back into the alluvial drainage system. Vice Chair Thomas explained how the water is just under the surface of the Hassayampa River, which is dry in one place, flowing in another, then becomes dry at another location. He stated that most reuse water, whether it goes to a recharge plant or to agricultural activities and irrigating golf courses, would have that recharge activity into that same system. Chair Hawker noted that this would not happen to the same degree. Vice Chair Thomas replied that was correct, it would not be to the same degree; however, it would still offset the amount of water that could be pumped out of the ground to keep lawns green.

Mayor Dunn asked if this area was subject to the Groundwater Management Act. He wondered if we were looking at the trees instead of the forest in regard to the groundwater level. Ms. Logan replied that the area is in the Active Management Area. Mayor Dunn asked if the law would need to be followed. Ms. Logan replied that there are limits on the amount of irrigation water, whether effluent or groundwater, applied to golf courses as part of the Third Management Plan.

Chair Hawker stated that as part of the Active Management Area, a jurisdiction has a 100-year water supply and also has a replenishment obligation to maintain the water table. He stated that this is groundwater, not river water that is familiar to most people. Chair Hawker stated that it is important that water being pumped out of the ground is then recharged and it is not being used for ancillary purposes. Ms. Logan stated that the Arizona Department of Water Resources is conducting a study of the Hassayampa River Basin and until completion of the study has held up some of the assured water supply applications for that reason.

Mayor Hull moved to approve the MAG 208 Water Quality Management Plan Amendment for the Town of Buckeye Anthem at Sun Valley South and Tartesso East Water Reclamation Facilities. Vice Chair Thomas seconded, and the motion carried, with Chair Hawker voting no.

5G. MAG 208 Water Quality Management Plan Amendment for the Service Area Expansion of the Litchfield Park Service Company Palm Valley and Sarival Water Reclamation Facilities

This item was removed from the Consent Agenda.

The Town of Buckeye, the City of Glendale, and Maricopa County have expressed interest in the provision of sewer service by the Litchfield Park Service Company Palm Valley and Sarival Water Reclamation Facilities located in the Goodyear Municipal Planning Area to developments within their planning areas. The facilities are identified in the current MAG 208 Plan with reserve capacity to accommodate the sewer service needs of these developments. The cities of Goodyear and Surprise are

within three miles of the project, and both have indicated no objections. The MAG Water Quality Advisory Committee and the MAG Management Committee recommended approval of the Draft 208 Plan Amendment.

Mayor Waterman indicated that he did not object to the project in concept, because his town might want to entertain the provision in the future; however, he objected to one of the cities participating.

Mayor Dunn moved to approve the MAG 208 Water Quality Management Plan Amendment for the Service Area Expansion of the Litchfield Park Service Company Palm Valley and Sarival Water Reclamation Facilities. Vice Chair Thomas seconded, and the motion carried, with Mayor Waterman voting no.

6. Approval of the Draft FY 2007 MAG Unified Planning Work Program and Annual Budget

Becky Kimbrough, MAG Fiscal Services Manager, provided an update on the Draft FY 2007 MAG Unified Planning Work Program and Annual Budget. She noted adjustments made since the presentation in April. Ms. Kimbrough stated that \$260,000 in 2005 FTA planning funds have been added. She said that there is a placeholder in the budget for the local state database project; it is still under review and may be revised or deleted. Ms. Kimbrough noted that the budget will be revised to reflect the services for the MAG building approved in the consent agenda. She stated that there might be an expense to replace MAG's main copier. Ms. Kimbrough stated that this copier, used for major copy jobs, is now breaking down frequently. Ms. Kimbrough noted that the cost for a machine with the same capabilities is projected to be approximately \$100,000.

Ms. Kimbrough stated that the dues and assessments will be recalculated when the final population numbers from the Census Survey are received at the end of June 2006. She said that a formal compensation study on the MAG salary schedule was performed by an outside consultant. Adjustments to the MAG salary schedule were made based on the approved recommendations from this study. The recommendations from this study included adding a career ladder for the analyst, engineer and decision support positions and a more detailed review of the modeling positions which have been difficult to hire. Ms. Kimbrough advised that there is no fiscal impact to the budget as the result of the recommendations from the MAG Compensation Study. She stated that there are no requests for additional full-time staff positions for FY 2007. Ms. Kimbrough stated that the proposed budgeted personnel costs reflect a 7.65 percent increase from FY 2006. She added that overhead costs are just about the same as FY 2006. Chair Hawker thanked Ms. Kimbrough for her report and asked members if they had questions.

Mayor Shafer asked for clarification of the type of copier that would cost \$100,000. Mr. Smith noted that this copier is capable of handling a great volume of copying, and can do collated stapled subsets, which is needed for complex copy jobs, such as the Management Committee and Regional Council agendas. Without this feature, the agendas would have to be hand collated. Mr. Smith noted that MAG staff will try to use the machine for another year; however, the copier has been down for repairs quite frequently--30 percent of the time in the past two months. He advised that this type of copier is very expensive and hard to find. Staff has been told that a copier with similar capabilities was available at Costco and had a footprint of 28 feet.

Chair Hawker asked if the annual copy count could be provided. Mr. Smith reported that the copier made more than one and one-half million copies last year.

Mayor Berman stated that he had been a salesman for Xerox copiers and he did not think copiers were that costly. He asked the brand of copier. Ms. Kimbrough replied that it was a Kodak 110. Mayor Berman asked the age of the copier. Ms. Kimbrough replied that it was a 1997 model.

Mayor Feldman-Kerr expressed her appreciation that the budget had developed into a more user-friendly document than it used to be.

Chair Hawker said that he appreciated the conversion of the inflation factor to the consumer price index.

Vice Chair Thomas stated that the budget had been reviewed with the Executive Committee nine times. He said that he was pleased the Commuter Rail Study was included in the Work Program.

Vice Chair Thomas moved to approve the resolution adopting the Draft FY 2007 MAG Unified Planning Work Program and Annual Budget and the member dues and assessments, pending receipt of the 2005 Census Survey numbers. Mayor Cavanaugh seconded, and the motion carried unanimously.

7. Census Survey Update

Mr. George Pettit, Gilbert Town Manager, and Chair of the Census Survey Oversight Committee, expressed his appreciation for the opportunity to work with member agency staffs on the 2005 Census Survey effort. He explained that when the process began in 2002, it was recognized that this would not be a typical census because of the magnitude of work and potential cost. Mr. Pettit stated that the Subcommittee on Population Options worked on determining September 1, 2005 as the Survey date so as to capture as much population as possible. He noted that in December 2003, the Regional Council approved proceeding with a survey, which was estimated to result in a 95 percent accuracy rate plus or minus 2 percent. Mr. Pettit noted that the Survey was made more affordable due to the 13 member agencies that provided address lists. He thanked the City of Phoenix for its leadership and funding of the census media and public outreach campaign.

Mr. Pettit stated that the Census Survey Oversight Committee had several meetings over many months to work on preparation and implementation of the Survey. Mr. Pettit stated that the Census Bureau met with staff regularly and member agency staff provided them with the resources and support to make their work possible. Mr. Pettit stated that the Survey was no small task and required a great deal of staff time and dedicated work. He expressed appreciation to Dennis Smith for assigning Heidi Pahl, MAG staff, to the effort.

Heidi Pahl provided an update on current 2005 Census Survey activities, including member agency appeal and review, the Census Bureau's follow-up operation, and the submittal of survey results. She then addressed the member agency appeal and review process. Upon receipt of the 2005 Census Survey preliminary results, member agencies that felt their group quarters population count was inaccurate, wrote a letter to the Bureau appealing the count. Ms. Pahl stated that member agencies that had questions or concerns about their housing unit population and/or count of housing units, wrote a letter to the

Bureau stating their concern and requested that the Census Bureau review the issue. She said that three group quarter appeal letters were submitted and 13 housing unit review letters were submitted. Ms. Pahl stated that six agencies submitted additional housing unit addresses, which totaled 7,500 units. She noted that the Census Bureau is reviewing all letters and will consider them when preparing the final results.

Ms. Pahl stated that the Census Bureau has redeployed staff in the field to resurvey a sample of housing units in order to validate their preliminary results. The Census Bureau is concentrating on units previously identified as vacant and on units in areas with a disproportionate number of low persons per household. She advised that the Census Bureau is also surveying a sample of the 7,500 additional housing units identified by member agencies. Ms. Pahl stated that all census field work is being conducted by personal visit. There is no telephone or mail component for this follow-up operation.

Ms. Pahl stated that after the fieldwork is complete, the Census Bureau will process, review and evaluate the results and determine whether changes to the preliminary results are needed. According to the Census Bureau the resurvey effort and any necessary revisions that result from it will be completed by June 30, 2006.

Ms. Pahl stated that because state law requires that census figures be provided to the applicable state agencies by May 1, 2006, MAG has transmitted a letter and the preliminary population numbers to the Arizona State Treasurer, Director of the Arizona Department of Revenue, and the Director of the Arizona Department of Transportation. When the Census Bureau provides the final 2005 Census Survey results, MAG will submit those results to the appropriate state agencies by June 30, 2006. Ms. Pahl noted that the state has indicated they will accept and make any necessary adjustments to the distribution of revenue based on these results. Chair Hawker thanked Ms. Pahl for her report and asked members if they had questions.

Chair Hawker asked if there were any lessons learned from the Census Survey process. Mr. Smith stated that he had been invited to participate as a member of the Arizona Data Estimates and Projections Task Force. He explained that the Task Force will evaluate best practices for population and employment estimates and projections in other states and recommend enhancements to the estimates and projections process of Arizona. Mr. Smith noted funds that have been expended for mid-decade censuses: \$4.6 million in 1985, \$9.6 million in 1995, and \$8.1 million in 2005. He noted that all of these funds were spent because of the lack of confidence in the state numbers. Mr. Smith advised that unless the state process is changed, the region will have to make a decision on the next mid-decade census about the year 2011.

Chair Hawker asked if the DES numbers were over- or under-estimates. Mr. Smith replied that the survey numbers could very well be correct. He commented that there is a need to find out the best practices and implement them in Arizona.

8. The Sun Corridor: Arizona's Emerging Megapolitan Area

Robert Lang, Professor and Director of the Metropolitan Institute at Virginia Tech, addressed the Council on Megapolitan areas in the United States. Professor Lang explained that a Megapolitan Area

combines at least two contiguous metropolitan areas and is projected to have more than 10 million residents by 2040. As of 2003, Megapolitan Areas contained less than one fifth of all land areas in the lower 48 states, but captured more than two-thirds of the total U.S. population, with almost 200 million people.

Professor Lang stated that the Arizona Sun Corridor extends from Prescott to Sierra Vista, and has ten Urban Realms. He said that statistically, the Phoenix and Tucson metropolitan areas have already merged. Professor Lang then explained how the Census Bureau defines these areas. Professor Lang displayed a chart of the Megapolitan areas' population and growth rates. He stated that the Arizona Sun Corridor had the highest growth rate from 2000 to 2004. Professor Lang noted that the Arizona Sun Corridor is presently one of the smallest Megapolitan areas, but will be larger than Chicago and the Bay Area by 2050.

Professor Lang reviewed the Metropolitan Hierarchy: Metropolitan, such as Pittsburgh or Boise; Metroplex: two or more metropolitan areas that share overlapping suburbs but principal cities do not touch, such as Dallas/Ft. Worth or Washington/ Baltimore; Corridor Megapolitan: two or more metropolitan areas with anchor principal cities between 75 and 150 miles apart that form an extended linear urban area along an Interstate, such as the Arizona Sun Corridor; Galactic Megapolitan: three or more metropolitan areas with anchor principal cities more than 150 miles apart that form an urban web over a broad area that is laced with Interstates, such as the Great Lakes Crescent; Megaplex: two Megapolitan areas that are proximate and occupy common cultural and physical environments and maintain dense business linkages, such as the Great Lakes Crescent, the Arizona Sun Corridor and Southern California.

Professor Lang displayed a map that outlined the Arizona Sun Corridor. He spoke about how the job-rich Orange County, California area resulted in employees commuting from their homes in Riverside. He said that the worst traffic is in the linking space between the two areas. Professor Lang stated that the Arizona Sun Corridor is ahead on planning.

Professor Lang then described the types of Urban Realms in Arizona Sun Corridor. Professor Lang said that Phoenix has six Urban Realms--Central Valley, East Valley, West Valley, Northeast Valley, Northwest Valley, and Mid Corridor. The Urban Core Realm is the original core of metropolitan development. Cores are dense and often built out, such as the Central Valley. The Favored Quarter Realm is the most affluent realm containing upscale housing, retail, and office space; an example is the Northeast Valley. The Maturing Suburb Realm includes rapidly developing suburbs with mature older sections and booming edges, such as the East Valley and West Valley. The Emerging Exurban Realm includes the most scattered and detached urban development in the region, such as the Northwest Valley and Mid Corridor. Exurbs contain the most affordable housing. Professor Lang added that Tucson has Four Urban Realms--Tucson Valley, Foothills, Santa Cruz Valley, and San Pedro Valley.

Professor Lang addressed the population and employment demographics, construction, and investments in Arizona's Sun Corridor. He noted that the average house endures for 150 years--longer than a power center. Therefore, a greater commitment is being made with housing than with retail.

Professor Lang review the policy implications for Megapolitan areas. The Megapolitan Interstate Network is Designed for Inter- not Intra-Metropolitan Trips. Professor Lang noted that the federal government tried to provide access to remote areas with the federal interstate system. He said that a four-lane capacity design was used as the standard throughout the system; therefore, the capacity was the same in a small rural area as in a metropolitan area. Professor Lang stated that this design was sufficient for the 1950s, but not for 2010. Professor Lang said that Megapolitan-level policies are needed for transportation, environmental and economic development. Plans are needed for Urban Realms—each realm needs some measure of autonomy. Realms also need more effective integration and coordination.

Professor Lang addressed the policy implications for specific Urban Realms. For Core Realms, the infill and redevelopment of principal cities; for Favored Quarter Realms, job/housing balance and affordable housing; for Maturing Suburbs Realms, creating mixed-use centers in principal cities; and for Emerging Exurban Realms, open space preservation and clustered development. Chair Hawker thanked Professor Lang for his report and asked members if they had questions.

A member of the audience asked if the cost of a barrel of oil was impacting commuter sheds and affecting development patterns. Professor Lang replied that 20 years from now, with broadband capabilities, there will be a greater share of business conducted remotely. However, this will not replace the face to face contact that facilitates business development. Professor Lang stated that the percentage of commutes will be reduced due to space-defeating technology. If electric capacity is easier to find then there will be more people commuting in electric vehicles by 2030. Professor Lang also mentioned that countries like Brazil have energy independence with sugar. He added that corn has one-eighth the efficiency of sugar. Professor Lang commented that there is a lot of adaptability in the environment.

Vice Chair Thomas asked if there had been a study or information on the difference between affordable housing and affordable living in the exurbs. He commented that as people get farther away, there is less opportunity to follow the model. Professor Lang stated that this region's remote places do not follow a typical pattern. Here, the fringe is Prescott Valley which is expensive. People in the region are competing against those in the nation who are using it as a resort. He said that this region is different that the eastern metro areas, where the edges are rural.

Vice Chair Thomas asked Professor Lang to describe how the government can influence growth. Professor Lang said that he thought it varied. He stated that he thought bodies like the Regional Council are important. Professor Lang stated that the government is influential in terms of understanding capacity and providing infrastructure. He stated that planning at the Megapolitan level is not everything. At that level, it is mostly about transportation, environmental impacts, and economic development. Professor Lang gave as an example combining the Tucson medical school with the Phoenix market shows that the region did not think competitively, but cooperatively. He stated that everyone is competing in a global economy. Uniting with those with similar interests and stakes in growth makes more sense than being rivals.

9. Legislative Update

Matt Clark provided an update on legislative issues of interest. He reported that there is hope for a compromise on eminent domain. Mr. Clark reported that the \$948,000 needed to fund the travel reduction programs for another year was agreed to by both the House and the Senate. He added that funding for the program will be included in the final budget.

Mr. Clark stated that a separate account has been set up within ADOT for more than \$300 million from the budget surplus to be used for freeways and highways. It is stipulated that the funding has to be used in cooperation with the Regional Transportation Plan. Mr. Clark noted that the Maricopa County region will receive 60 percent, the Pima County area 16 percent, and the remainder of the state 24 percent of the funds.

Mr. Clark stated that the budget may wrap up this week, but likely it will be next week or the week after. Mr. Clark reported that the Governor signed HB 2206, which removes the statutory cap of \$1.3 billion on HURF. HCR 2001, which will put a measure on the 2006 ballot to increase bonding capacity from six percent to 20 percent, will likely pass with the entire budget package. Chair Hawker thanked Mr. Clark for his report.

10. Comments from the Council

An opportunity was provided for Regional Council members to present a brief summary of current events. The Regional Council is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

Chair Hawker extended his appreciation to outgoing Regional Council members, Mayor Dusty Hull, Mayor Woody Thomas, and Mayor Wendy Feldman-Kerr.

There being no further business, the Regional Council meeting adjourned at 6:25 p.m.

Chair

Secretary